

# FRACTIONAL CURRENCY COLLECTORS BOARD

## Winter 2014

### You never know what you might find!

Many fractional collectors feel that everything to be uncovered that still exists fractionally has already been discovered and is now sitting locked away in some collection. While this may be true with the high-quality examples that have been passed through well-known collections, every once in a while a surprise is uncovered in some dealer's stock of worn, tired notes or within a handful of more common issues.

When collectors learn more about what to look for more examples of a particular variety are uncovered. A recent example is the Fr. 1286 Inverted "S". Once identified, there were only a handful that were thought to have survived. However, as more collectors learned about them, the number of examples grew to the 18 examples now known.



Ten years ago while tending my booth at a show a gentlemen came up and handed me a well-worn Justice note. At first glance it didn't seem to be anything but a worn, repaired fiber note. But the more I looked, the more excited I became, as it may just be an extremely rare Fr. 1352, the holy grail of fractional. I took the note to Mike Marchioni for his opinion, and we were both stunned, for we were holding a previously unknown example of the key fractional note,

raising the number of known Fr. 1352 notes to four!

Early this year at a show in St. Louis a new variety was uncovered! A collector showed me what appeared to be a Fr. 1251. The note had the distinctive printed signatures. However, what was unusual was that the words 'Registrar' and 'Treasurer' were hand written as oppose to printed. When I returned home from the show I checked my library reference books and past auctions but could find no mention of this variety. As such, I contacted the owner and informed him that he had what was a unique variety.



So, keep a sharp eye out... you never know what you might stumble into!

*Rob*

Rob Kravitz

FCCB Newsletter  
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# Third-Party Grading

By

Mike Marchioni

I was a great proponent of third-party grading when it first began. I had anticipated that independent grading services would provide the collector with accurate grading and attributions. Unfortunately, in my area of specialization, fractional currency, there aren't many individuals who possess the knowledge and experience necessary to provide accurate grading and authentication – and to my knowledge as I write this, none of the best qualified individuals work for any of the professional grading services.

Evidence of a lack of “quality control” on the part of grading services for fractional can often be found in many large auctions. Attribution error examples include: a Fr. 1324 being mistaken for a Fr. 1328 autographed note; a Fr. 1340 (second reverse) being classified as a Fr. 1332 (first reverse); a Fr. 1367 (extremely rare note) classified as a Fr. 1363 (a much more common note). The most significant error that I have heard of was a Fr. 1365 “no loop” with an inverted “29” on the reverse (approximately five known) mistaken for a regular Fr. 1365. Obviously, the buyer got a great deal because he was thrilled by the figure that I offered for the note! Members of the fractional currency club (FCCB) have also told me of green back notes classified as red back notes along with other, obvious errors to anyone with fractional currency experience.

As for grading, I believe that numerous errors are made. Admittedly, I have been involved in fractional currency for 45 years and, perhaps, my grading standards are a bit higher than many collectors and dealers. However, I do not see how a note with several visible folds can be graded as MS 66 or 67, or how a note with rounded corners warrants a designation of MS 65 or 66.

Based on what I have witnessed and heard from other collectors, third-party grading services aren't doing as good a job of protecting the fractional currency collecting public as they should.



## Exhibiting at Memphis

The deadline for submitting applications to exhibit at the International Paper Money Show in Memphis, TN, June 12-15<sup>th</sup>, is May 12<sup>th</sup>. The exhibit application is available on the back page of this newsletter. This is YOUR opportunity to show the aspect of collecting postage/fractional currency that interests you the most! If you'd like ideas as to how to put together an exhibit, contact any of our club officers (Rob, Benny, Dave, Bill, Jerry or past Pres. Mike). Any one of them will be happy to offer you tips and ideas on presenting your exhibit theme.

***To promote postage/fractional currency exhibits at the Memphis show, the club officers have voted to buy dinner at the club's dinner meeting for those members exhibiting at the show!*** To qualify, the individual must be a club member and have at least 1 exhibit on a postage/fractional currency theme. Only 1 meal per exhibiting member will be provided, consisting of dinner, beverage (non-alcoholic) and dessert. See you at the Dinner!



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Fr. 1268 15¢ Fourth Issue  
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Fr. 1313 50¢ First Issue  
PMG Gem Uncirculated 65 EPQ.  
**Realized \$2,350**



Fr. 1310a 50¢ First Issue  
PCGS Very Choice New 64PPQ.  
**Realized \$4,112**



Fr. 1281 25¢ First Issue Full Sheet of Sixteen  
PMG Superb Gem Unc 67 EPQ.  
**Realized \$7,050**

Fr. 1383 Fractional Currency Shield,  
With Pink Background.  
**Realized \$22,325**

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# Friedberg's "Paper Money of the United States"

## Numbering Anomalies

By

*Rick Melamed*

(Editor's Note: This is the seventh installment in a multi-part series whereby the author explores a number of postage/currency items that were added, removed and corrected over time in this important widely used reference book by currency enthusiasts.)

### B. Other Misattributed Fractionals by Friedberg *(continued)*

#### 20. Fr. 1357/Fr. 1357a – 3<sup>rd</sup> issue 50¢ red reverse and “S-2-6-4” reverse surcharge

**Fr. 1357** - Red reverse with surcharge “S-2-6-4”; with autographed signatures of Colby and Spinner. Listed in 1<sup>st</sup> – 3<sup>rd</sup> editions with the omission that it was printed on fiber paper. The connotation being that it was (incorrectly) also printed on plain paper because of the inclusion of Fr. 1357a...see next entry:

**Fr. 1357a** – Same as above but fiber paper. The Fr. 1357a appears in the 3<sup>rd</sup> edition only. An incorrect distinction is made depicting 2 versions of the “Fr. 1357.” One on plain and one on fiber paper. By the 4<sup>th</sup> edition, Friedberg corrects the error and only shows the Fr. 1357 being on fiber paper.



FR1357/Fr1357a

#### 21. Fr. 1375. 4<sup>th</sup> issue – 50¢ Lincoln portrait.

Listed as: “Large seal, paper with pink silk fibers” in 1<sup>st</sup> – 7<sup>th</sup> editions

Listed as: “Large seal, unwatermarked paper with pink silk fibers”  
in 8<sup>th</sup> – 11<sup>th</sup> editions

Listed as: “The note previously listed has been deleted” in 12<sup>th</sup> – 19<sup>th</sup> editions

Milt Friedberg makes a reference to an unwatermarked example (Milt 4R50.1b) but offers no narrative. Opinion of the existence of unwatermarked Lincoln's is mixed. Several leading experts in the field claim they own or seen examples. But due to the very ornate engraving on the Lincoln, it can be extremely difficult to locate the watermark even with very close observation.

Shown below is the text from The CAA (Currency Auction's of America) sale of the Martin Gengerke Collection on January 6, 1995:

**Lot 203 Fr. 1375 50¢ Fourth Issue Lincoln Extra Fine.** *A decent Extra Fine but with many small pinholes. Martin notes "only one I've seen with no trace of a watermark". He appears to be correct, however, in this grade it is difficult to verify. Our opinion is that Fr. 1375 may well not exist and should not be catalogued as part of the series. (Note sold for \$143.00)*

**22. Fr. 1377. 4<sup>th</sup> issue 50¢ Stanton: Small brownish seal; paper with violet fibers and blue ends.**

Listed: 1<sup>st</sup> – 9<sup>th</sup> editions

Delisted: 10<sup>th</sup> – 19<sup>th</sup> editions

As with other brown seals mentioned in this article, the brown seal is a result of dye variations of the ink. Not a legitimate type and delisted.

**23. Fr. 1378. 4<sup>th</sup> issue – 50¢ with Stanton portrait. Small red seal; plain white paper without blue ends.**

Listed: 1<sup>st</sup> – 2<sup>nd</sup> editions

Delisted: 3<sup>rd</sup> – 19<sup>th</sup> editions

Any examples that may exist would be the result of improper bleaching and would only occur in lower grades. Not a valid number.

**24. Fr. 1379a. 4<sup>th</sup> issue – 50¢ with Dexter portrait – "same as above (Fr. 1379) but paper with blue ends"**

Unlisted: 1<sup>st</sup> – 2<sup>nd</sup> editions

Listed: 3<sup>rd</sup> – 5<sup>th</sup> editions

Delisted: 6<sup>th</sup> – 19<sup>th</sup> editions

I could not find any references or research to the Fr. 1379a except with Milt Friedberg, who made reference to it in his book under the Fr. 1379/Fr. 1379a heading (Milt 4R50.3 )

Milt specifically made reference to a bundle of 20 notes shown below. It has a blue tint (but it is most assuredly not a Fr. 1379a). No matter if this is errant cataloging or not – this is indeed a very desirable item. Banded bundles are scarce (exacerbated by the desire to break the band and sell the notes individually). The bundled band fonts: **"TEN DOLLARS"** are certainly eye catching. Heritage sold a Very Choice bundle in the 2008 FUN show (Lot 12635) for \$7,475.



FR1379a

- 25. Fr. 1380. 5<sup>th</sup> Issue 50¢ with Crawford portrait. Red Seal; paper on observe a light pink color with silk fibers.**

Listed in all PMUS editions

Despite the fact that the Fr. 1380 still shows up in *PMUS*, conventional opinion among the fractional experts is that this is not a legitimate type. It is interesting to note that over the last 17 years where “complete” regular fractional sets were assembled and auctioned off (Martin Gengerke, Tom O’Mara, John R. Ford, Milton Friedberg {minus the r. R1352}), that none of the auction catalogues had the Fr. 1380 listed. This is a very common note – the conclusion can be made that the omission is the result of it not being recognized as a legitimate variety.

- 26. Fr. 1381a - 5<sup>th</sup> Issue 50¢ with Crawford portrait. “Same as above (Fr. 1381) but with light violet fibers and blue ends.**

Unlisted: 1<sup>st</sup> – 2<sup>nd</sup> editions

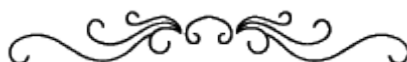
Listed: 3<sup>rd</sup> – 5<sup>th</sup> editions

Delisted: 6<sup>th</sup> – 19<sup>th</sup> editions

Not considered a valid type, but there could be cases with a heavy concentration of violet/blue fibers on the end could make it appear to be a valid type.

Milt Friedberg had his own designation for the Fr. 1381a (5R50.2). Milt describes it as follows:  
*“Cream white bond with minute pink fibers and long lilac fibers distributed throughout, and also localized blue fibers on right end on obverse.”*

**...To Be Continued In Our Next Issue...**





# Seal Plate #11 and #111 on 3rd issue 10¢ Fractionals

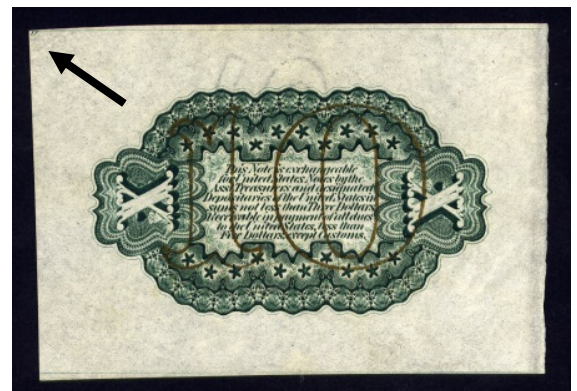
By  
*Rick Melamed*

With a little bit of dexterity using PowerPoint and MS Paint we can make a reasonable (but certainly not a definitive) case that the same engraver etched 2 different sheet plate numbers on 2 different plates. No big deal...right? But how do you prove it? The devil is in the details. And trite saying #2: a picture is worth a thousand words.

Recently I purchased an Fr.1255 with sheet plate #111 on the face from eBay. It's a decent VF note. It seems apparent that the person who cut the note from the sheet wanted to capture the entire plate number. It came at the expense of the top and left margin. But there are plenty of decently margined examples of this common Fr #. The eye appeal on this note is the ornate #111 on the face, in the bottom right corner.

As an aside, it is a little unusual that it came from France. The seller, a large French based numismatic company, had several fractionals for sale on eBay. Logic dictates that the best place to sell an American treasure is back to the country whence it came. Welcome home old friend...I wonder how long you were in France?

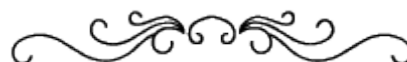
I recognized the style of the #111; the design looked familiar. I own a pair of 3<sup>rd</sup> issue 10¢ red and green wide margin reverse proofs with the exact same inverted plate #11 on the back (Fr.1251-Rev-WM and Fr.1255-Rev-WM). When I received the note from France and gave it a closer examination, it was apparent that the design of the font on the 11 and the 111 were similar; each with the long flowing stem from the top sloping down and to the left at an ~ 45 degree angle.



On the scan I blew up both plate numbers. I reversed the inverted plate #11 from my Fr.1251 WM proof (from upside down to right-side up) and placed them next to each other for comparison. Note the consistent design on all the characters. The plate numbers match up with the BEP charts of 3<sup>rd</sup> issues plate numbers.

Both were  
the same  
3<sup>rd</sup> issue

10¢ series, but one being from the reverse of a proof and the other from the face of a regular issue Fr.1255 add a little dimension. While one cannot say definitively, it certainly is not a far stretch to postulate that the same engraver etched both the #11 and #111 due to the close similarity in design. Fun stuff for sure, enjoy!



# **JAMES POLIS IS BUYING AND SELLING** **FRACTIONAL CURRENCY**

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The following is a small sampling of some prize notes that I have placed into customer's collections:

*Marchioni* Fr. 1248 Choice CU

Fr. 1299 Very Choice CU

*Gengerke* Fr. 1330 Gem CU

Fr. 1336 Choice CU

*O'Mara* Fr. 1339 NM Specimen Reverse AU

Fr. 1340 Superb Gem CU

Fr. 1348 Choice CU

Fr. 1368 Gem CU

*O'Mara* Fr. 1371 Choice AU

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***(Current Membership List Information Removed)***

## **Member's Trading Post**

Looking for Graphics of Satirical Notes and other Rare Fractional Items for Historical Digital Collection Effort.  Jerry Fochtman <a href="mailto:jerry@fochtman.us">jerry@fochtman.us</a>	Researcher/Collector interested in ALL fractionals with inverted or mirrored plate numbers. If you have one (for sale or research) please e-mail <a href="mailto:riconio@yahoo.com">riconio@yahoo.com</a> or call 818/591-2326. Thanks – Rick Melamed.	Want lists serviced and auction representation with over 40 years of Fractional experience  Mike Marchioni <a href="mailto:Marchion@ETSU.EDU">Marchion@ETSU.EDU</a> 423/439-5362
	Wanted: Fr.1374 (Lincoln) Counterfeits notes, scans, clippings, info, etc.  Fred Reed (FCCB #55) <a href="mailto:Freed3@airmail.net">Freed3@airmail.net</a> P.O.B 118162 Carrollton, TX 75011	

Current FCCB Members are welcome to submit requests for the Trading Post!

## **An Appeal**

*From Membership Chair*

*Bill Brandimore*

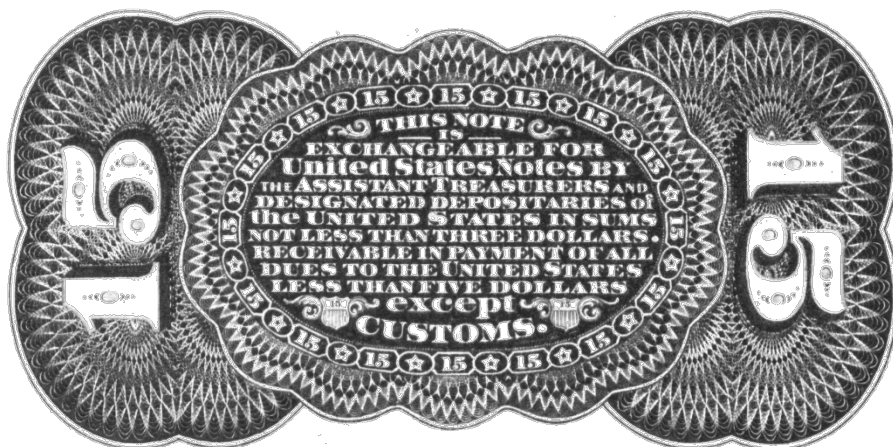
So far this fiscal year (post Memphis for me) we have signed up 13 new members! This includes 3 Junior and 2 Life members. We had good results from the ANA Summer Seminar where all 3 Juniors came from and 4 new members from an ad I ran in the Paper Money collectors of Michigan magazine. There are only a few over 200 members in the Michigan club so we signed up 2% of their membership. Will you put an ad in your club publication's. We are a National club, but you find members in State clubs. Our membership had gotten a bit sickly, as we only signed up 5 new members in all of 2012-13. So, let's keep the ball rolling. Please help spread the word.

If you would like an issue of the newsletter with an application for to pass-out at club meetings or numismatic events, contact our newsletter editor, Jerry Fochtman. Thank you for helping promote our club!

# Buying & Selling



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# FUN - 2014

by

*James Polis*

Another FUN show is in the books and it seems to be less of a momentous event as in years past, although the same can be said for almost all conventions. I ran into Mike and Art but did not see too many other members of our fractional fraternity. Admittedly, I did not get to walk the bourse floor as extensively as in years past due to the fact that I spent an inordinate amount of time in the auction lot viewing room. It did seem that the usual suspects had much the same fractional inventories that I normally see but this is realistically more a function of setting prices well above supply and demand equilibrium than it is an indicator of collector demand.

This brings us to the auction itself. Since I am a very active participant in virtually all aspects of the currency market, and particularly the fractional currency market, I tend to gain a perspective that isn't seen by most collectors or other dealers. When one attends most major shows and their corresponding auctions, a unique point of view is obtained that cannot be surmised simply by viewing the prices realized of a sale. One needs to see who is doing the bidding and at what price levels there are many bidders and at what levels most of the generic bidding subsides. All of the major auction houses have a Live Internet bidding component that is so firmly entrenched in how they operate their business that it has forever altered the means by which one can analyze market activity. Many collectors and dealers now hide behind their computer screen and bid in a sale while keeping secret their identity. You no longer know if you are bidding against a more knowledgeable source or if you are butting heads with the ultimate collector who is far outpacing the market in his pricing structure.

The Heritage sale in and of itself was a landmark event with total prices realized transcending the \$17 million mark, easily eclipsing the old auction record by close to \$2 million. Platinum was a wild success with the currency market's first \$3 million note, an 1890 \$1,000 Treasury note, commonly referred to as the "Grand Watermelon." There was an unbridled passion on the part of the market's more well-heeled collectors and dealers hoping to obtain the "crème de la crème" material for their collections and inventories. Unlike last year's auction, where there seemed to be raging demand across the board in all collecting areas, this year's sale represented more of a bifurcated market. It reminded your writer of the rhetorical battles waged by politicians and political talking heads as they pontificate about the chasm which separates the 1% from the woebegotten middle class. Simply put, the really good notes sold for really good money and the more run of the mill "stuff" sold for decent money but perhaps less than expectations dictated.

This brings us to the first auction session, that which is most important to members of this organization. The fractional offering represented a reversal from last year's *Paragon* collection, which concentrated on ultra-high end type notes. This year's selection was very light on fractional type notes but instead concentrated heavily on esoteric items such as proofs and experimentals. There were very few strong bidders in the auction room but one can strongly suspect that others were represented in one form or another via different technological means. Some prices did stand out: a Fr. 1228 with extra blind perforations in PCGS Choice New 63PPQ for \$881.25; the wonderful Fr. 1310 complete sheet in PMG About Uncirculated 53 for \$19,975; a 10c "short" experimental in PCGS Gem New 66PPQ for \$1,005; a 50c fiber paper experimental in PCGS Superb Gem New 68PPQ for \$1,675; a 50c uncanceled experimental back in PCGS Very Choice New 64 for \$2,585; a 3c Proof pair for \$4,700; a Fr. 1357aSP with an unknown signature PCGS Choice About New 58 for \$1,527.50; a Fr. 1374 PMG Gem Uncirculated 65 EPQ for \$2,585; and a Fr. 1381 original bundle, holdered but ungraded by PMG, for \$3,525. There are certainly plenty of other results that could have been included but your writer has rambled on long enough.

I invite your questions and/or comments to [JPolis7935@aol.com](mailto:JPolis7935@aol.com).



## Getting Ready for Memphis

This Memphis will be a little different for the FCCB. Instead of having a poorly attended meeting on Saturday afternoon, we are going to try to do something different. We will have a meeting, but it will be a dinner meeting, most likely Friday evening. We will have it at The Spaghetti Warehouse and will have a short update on where we are (business meeting) and then do a show and tell. Bring your new items, your old items, your proud items. Who knows, we may close the place down.

More on all this later but begin planning now!!!

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